

**Technology Customer Council Meeting
Minutes of May 18, 2004**

F i n a l

Present: Rich Jacobs, Jim Anderson (for Cindy Eisenhower), Keith Greiner (for Gary Nichols), Carl Martin, Lee Tack, Greg Wright, Steve Morris, Dale Woolery (for Marv Van Haaften), Steve Mosen, Larry Murphy, Gerry Bair, Steve Gast

Absent: Leon Schwartz

Guests: Denise Sturm, Sharon Sperry, John Gillispie, Lorrie Tritch, Patti Allen, Nadir Mehta, Marianne Mickelson, Diane Van Zante

Steve Mosen, Chair, called the meeting to order. It was noted that a quorum of members was present.

1. Review and Approve Minutes – Rich Jacobs moved approval of the May 11, 2004 meeting minutes. Larry Murphy seconded the motion. An oral vote was taken, approving the minutes as written.
2. DAS Director Updates – Mollie Anderson. Because ongoing maintenance costs for I3 were higher than anticipated, the May 11 council meeting left several members concerned about covering those costs. Agencies were previously largely unaware of IFAS and HRIS costs, as these systems were not financially supported by the departments, but by a legislative appropriation. Mollie and John Gillispie feel strongly that the ERP/I3 system will yield numerous benefits for all. The I3 Steering Committee met yesterday (May 17) to discuss the proposed “go live” date. Currently, that is scheduled for June 1st. “Going live” means shutting down the old system and starting up the new system. The I3 Steering Committee will meet again on May 21st to assess I3’s readiness to go live on June 1st. We are receiving a mixture of feedback from our customers and finding that there are different levels of comfort with moving forward. If the critical issues cannot be resolved, the system will not be going live on the 1st. Our hope is that the decision will be made to proceed with the June 1st date and that everything will go fine. To realize the full functionality of the system, we will be working with agencies to identify new uses.

At the last meeting, the Council reviewed initial figures to run/maintain I3. Later this week, Cindy Eisenhower, Mike Ralston, Steve Young, John Gillispie, Mollie, and others will study the costs and consider funding options; their findings will be shared with the Technology Council afterward. It may be necessary to ask for an appropriation to help cover the cost.

The question of governance (i.e., who will be the long-term governing body) is as yet unresolved. More feedback is needed in order to reach a decision. ITE does not have good data indicating how agencies use the mainframe. The Council’s assistance is needed to gather that information and to understand what that behavior will look like. Mollie urged Council members to be cautious with the costing information that had been provided, as the figures are preliminary and the process is still very fluid. Any comments/questions should be routed to Mollie or John. Keith Greiner reported that the financial staff at College Student Aid like I3 and see some real potential. Rich Jacobs volunteered to help form a subcommittee to gather the information Mollie referred to.

3. FY06 Common Directory Information – This item was placed on the agenda to provide the council with the opportunity to pose questions. Agencies have no choice whether to support Common Directory (it must be in place by July 1st), but they may have a choice about which Directory model they want to move to. A question arose about the possibility of DAS granting a waiver, however by definition, since common directory has been deemed a utility, there are no waivers. At present, the proposed rate for Common Directory for FY06 is 78 cents per person per month. The cost structure is based on a preliminary budget, so the Council may wish to postpone approval until the budget has been finalized/approved.
4. I3 Rate Methodology – Denise Sturm and Sharon Sperry.
 - a) Mainframe cost reductions (handout of the same title) – Denise Sturm provided a summary of fees that are currently being paid by agencies for their use of IFAS, HRIS, budget and fixed assets. During FY05, agencies will pay total monthly fees of about \$39.35 for ID Access, Mainframe 3270 Access LU, IFAS, and HRIS. During FY06, all fees identified in FY05 will be replaced or eliminated in conjunction with an agency's use of I3. A detailed analysis by account would be necessary in order to accurately identify any decreased costs.
 - b) Span of control (handout entitled "I/3 Support Structure") – Sharon Sperry sees the I3 support structure as being split into three components: I3 Administration, I3 Subject Matter Experts Administration, and I3 IT Support. Further discussion on this item likely needs to wait until the governance group has met and made some decisions.
 - c) Alternative methods of charging for I3 (handout of same title) – An I3 rate calculation could be based on any number of potential divisors, including: number of transactions, number of users, processing time (not a logical use for I3), permanent employees, and percent of budget. The first two methods focus primarily on measuring utilization of the system. There are pros and cons for each option, such as the fact that it is difficult to define what constitutes a transaction in an integrated system. The last two methods encourage use of the I3 system and are easy to bill. The Council may wish to consider a combination of rates or a weighted average. DAS is also attempting to gather information from other states. At present, this material is simply food for thought.
 - d) Personnel counts and classifications – As I3 moves forward, job classifications should be based on duties assigned, rather than the employee's previous job classification. Some I3 positions may warrant a lower classification. Sharon Sperry advised that much of the initial estimate for personnel was based on feedback from AMS and discussion with the implementation team. The estimate has been presented to the I3 Steering Committee several times. This item will be revisited after ITE gets more input.
 - e) Cost of implementation – Sharon summarized the FY03, 04, and 05 appropriations received. Costs not covered by the appropriation include: project team members who worked fulltime, however were only funded by appropriation dollars halftime; project team members who assisted less than fulltime were not funded by the appropriation; costs for desktop support, DBA time, websphere and network support were not funded.
 - f) Feedback from Financial Managers regarding the Process for Setting I3 rates – Denise reported that the managers seemed to be a reluctant to discuss the matter without knowing more about the cost, however she did receive the following feedback:
 - Requirements to communicate the costs of I3 (What did the predecessor systems cost to maintain? What is the projected cost to maintain I3? Provide a detailed budget supporting the costs. What were the projected savings of this system?)
 - Divisors (the general consensus was that the divisor should be based on actual utilization)

Denise did state that it was nearly impossible to determine the actual costs of the predecessor system. The group is uncomfortable overall with the billing for I3 and has questions about the system's functionality. The financial managers feel that this service is a leadership function that should be funded by an appropriation; they believe they were told that it would be funded in that manner. Mollie clarified that in FY05, there is no charge for I3; it begins in FY06.

5. Other Discussion -

Complaint Resolution Process – An e-mail outlining the proposed process was forwarded to members prior to the meeting. The Human Resources Enterprise (HRE) Customer Council initially developed the process. One of the issues still being assessed is the difference between a good business question and a complaint. Council members offered a few comments on the proposed process: a) it seems like we're focusing on a response rather than a resolution, b) there needs to be some way to address situations where there is a deadline and it has an adverse affect on a customer. Patti Allen will take these comments back to the HRE Group. DAS is ultimately looking for one common complaint resolution process for all three councils.

Steve Mosena reported that the HRE Group is going to propose that FY04 council membership be considered a trial period. They are proposing that the terms for the one-year, and two-year members would start July 1, 2004. HRE also supports the idea of a three-year term. Rich Jacobs moved that for term limit purposes, official terms begin July 1, 2004. Jim Anderson seconded the motion. An oral vote was taken, all members voted to approve the motion. All three customer councils must concur in order for this provision to pass. Rich Jacobs moved the adoption of a three-year term (this would require an administrative rule change). Carl Martin seconded. An oral vote was taken and unanimously passed. These two council recommendations are to be shared with the other customer councils. Steve Morris is retiring, so the Council will need to seek a replacement for him. According to the administrative rules, the directors of the large agencies are charged with this task. Patti Allen advised that the DAS Advisory Council was meeting on May 25th and would be addressing those items.

Denise Sturm passed out a summary of questions that were received during the public comment period.

6. Next Meeting Date and Agenda Items – Please leave the May 25th meeting on your calendar until we know whether an additional meeting is needed. A final decision will be made on Monday, the 24th. The next regularly scheduled meeting is Tuesday, June 8.

Council members inquired if the materials received at today's meeting were public (for agency distribution). John responded that they were and that he would actually welcome any input. Please send any comments directly to John prior to Friday, May 21.

There being no further business, Jim Anderson made a motion to adjourn the meeting. Greg Wright seconded the motion. An oral vote was taken and passed. The meeting concluded at 2:51 p.m.